USE OF SOLANO PROJECT FACILITIES FOR IMPOUNDING, STORAGE, AND CARRIAGE OF NONPROJECT WATER

NOVEMBER 1, 1999.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Young of Alaska, from the Committee on Resources, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 1235]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom ws referred the bill (H.R. 1235) to authorize the Secretary of the Interior to enter into contracts with the Soloano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 1235 is to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes.

BACKGROUND AND NEED FOR LEGISLATION

The City of Vallejo has tried to use its water supply facilities more efficiently, but has been limited by a provision in federal law that prohibits the City from sharing space in an existing federal water delivery canal. The City of Vallejo wants to "wheel" some of its drinking water through part of the canal serving California's

Solano Project, a water project built by the Bureau of Reclamation in the 1950s. The City of Vallejo is prepared to pay any appropriate charges for the use of these facilities. In addition, any Warren Act contract affecting the Solano Project would be conducted in full compliance with all applicable environmental requirements.

COMMITTEE ACTION

H.R. 1235 was introduced on March 23, 1999, by Congressman George Miller (D–CA). H.R. 1235 was referred to the Committee on Resources and within the Committee to the Subcommittee on Water and Power. A legislative hearing was held on the bill on October 7, 1999, by the Subcommittee on Water and Power. On October 27, 1999, the Full Resources Committee met to consider the bill. The Subcommittee was discharged from further consideration of the measure by unanimous consent. No amendments were offered and the bill was ordered favorably reported to the House of Representatives by voice vote.

SECTION-BY-SECTION ANALYSIS

Section 1. Use of Solano Project Facilities for nonproject water

This section authorizes the Secretary of the Interior to enter into contracts, pursuant to the Act of February 21, 1911 (known as the Warren Act), for the impounding, storage, and carriage of non-project water for domestic, municipal, industrial and other beneficial purposes, as well as the exchange of water among Solano Project contractors, using any facilities associated with the Solano Project, California.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation.—Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that Rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act.—As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, credit authority, or an increase or decrease in tax expenditures. According to the Congressional Budget Office, enactment of this bill could result in an increase in

offsetting receipts (a credit against direct spending) of less than

\$50,000 a year.

3. Government Reform Oversight Findings.—Under clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform on this bill.

4. Congressional Budget Office Cost Estimate.—Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

> U.S. Congress. CONGRESSIONAL BUDGET OFFICE, Washington, DC, October 29, 1999.

Hon. Don Young, Chairman, Committee on Resources, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1235, a bill to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Megan Carroll (for federal costs), and Marjorie Miller (for the state and local impact).

Sincerely,

Barry B. Anderson (For Dan L. Crippen, Director).

Enclosure.

H.R. 1235.—A bill to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes

CBO estimates that implementing H.R. 1235 would not have a significant impact on the federal budget. According to the Bureau of Reclamation, the authority that would be granted by H.R. 1235 would be used for transporting water to the city of Vallejo from an existing storage facility. CBO estimates that this action would increase the cost of operating and maintaining the project by less than \$50,000 a year beginning in fiscal year 2001. These amounts would be subject to appropriation and would be reimbursed by the municipality in the year the costs are incurred. Payments from the city would be deposited in the Treasury as offsetting receipts (a credit against direct spending). CBO estimates that these receipts would be less than \$50,000 a year. Because the bill would affect direct spending, pay-as-you-go procedures would apply. H.R. 1235 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contacts are Megan Carroll (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.

ADDITIONAL VIEWS

The City of Vallejo has requested Congressional approval of its proposal to use excess capacity in a Bureau of Reclamation project canal to move part of its raw municipal water supply to a new water treatment plant. Legislation must be enacted because a limitation in Federal law currently prohibits the city from sharing space in an existing Federal water delivery canal.

Once this legislation is enacted, the City of Vallejo will be able to negotiate and sign a so-called "Warran Act" contract to "wheel" some of its water supply from its Lake Curry storage reservoir through a specific and limited part of the Putah South Canal. In so doing, the City will be able to keep its current water right permit active.

The Putah South Canal serves the Solano Project, constructed by the Bureau of Reclamation in the 1950s. Vallejo's proposal has been carefully negotiated with the Solano Water Authority and other Solano Project water users, including the City of Fairfield. Vallejo is prepared to pay all appropriate charges for the use of the facility. There will be no cost to the United States.

In Čalifornia, we are becoming much more reliant on using various facilities—some of them federal, some state, some private—to facilitate the movement and transfer of water more efficiently around the state. We have both state and federal initiatives to encourage more efficient water use. We also have the various CALFED programs, focusing on improved water management to meet our state's complex needs. This bill is part of that ongoing effort to bring some flexibility into our water management policies while continuing to meet important statutory, fiscal and environmental requirements.

Execution of a Warren Act contract to benefit the City of Vallejo will require full compliance with Federal and State environmental laws and regulations. We want to assure that no damage is done to the steelhead fishery that is returning to Suisun Creek, or to other resources. The record of the Committee's consideration of H.R. 1235 includes correspondence from the Bureau of Reclamation, clearly indicating that all environmental compliance requirements must be met before execution of a Warren Act Contract to benefit the City of Vallejo. These include the requirements of the National Environmental Policy Act of 1969, the California Environmental Quality Act, the Endangered Species Act, State Fish and Game Department regulations, and all other environmental mandates.

GEORGE MILLER.